AMENDED IN ASSEMBLY MAY 6, 2009 AMENDED IN ASSEMBLY APRIL 23, 2009 AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

ASSEMBLY BILL

No. 234

Introduced by Assembly Member Huffman

February 5, 2009

An act to add Chapter 5.6 (commencing with Section 25460) to Division 15 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 234, as amended, Huffman. Energy: water use and energy efficiency projects: federal stimulus funds.

Existing law establishes various programs to provide financial assistance to public and private entities to improve their energy efficiency.

This bill would require the State Energy Resources Conservation and Development Commission, as a part of the implementation of funding received under the federal American Recovery and Reinvestment Act of 2009 pursuant the federal State Energy Program and the federal Energy Efficiency and Conservation Block Grant Program, to coordinate with the *Department of Water Resources and the* State Water Resources Control Board—and—local—water—suppliers—on—the—planning—and implementation of energy efficiency actions that can also result in water use savings to identify opportunities to fund energy efficiency actions that also may result in reduced water use. The bill would impose requirements for the commission's guidelines for disbursement of the federal stimulus funds. The bill would require that water and energy

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eonservation efficiency programs and projects proceed only to the extent they do not impair the commission's ability to meet the federal deadlines for expenditure of federal stimulus funds provided by the act pursuant to the 2 specified federal programs.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 5.6 (commencing with Section 25460) is added to Division 15 of the Public Resources Code, to read:

Chapter 5.6. Water Use and Energy Efficiency Assistance

- 25460. The Legislature finds and declares all of the following:
- (a) The commission is expected to receive hundreds of millions of dollars from the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5) for energy related activities including energy efficiency programs and projects.
- (b) Water use requires significant amounts of energy. Approximately one-fifth of the electricity and one-third of the nonpower plant natural gas consumed in the state are associated with water delivery, treatment, and use.
- (c) Greenhouse gas emissions can be reduced if we move, treat, and use water more efficiently.
- (d) The Public Utilities Commission and the commission have researched the energy saving potential associated with water use efficiency programs and with water management changes. Those studies can inform the administration and the Legislature on how state agencies can partner and cost share, and how local water suppliers' funding can be leveraged to maximize water and energy efficiency. efficiency programs.
- 25460.5. For the purposes of this chapter, the following terms have the following meaning:
 - (a) "Board" means the State Water Resources Control Board.
 - (b) "Federal act" means
- (a) "Federal stimulus funds" means moneys received by the state under the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), pursuant to the federal State Energy

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Program and the federal Energy Efficiency and Conservation Block Grant Program.

(c) "Water supplier" means a local

- (b) "Local water supplier" means a local retail or wholesale public agency or private company supplying or storing water, or a mutual water company.
- 25461. (a) As part of the implementation of the funding received by the commission under the federal act pursuant to the federal State Energy Program and the federal Energy Efficiency and Conservation Block Grant Program, the commission shall coordinate with the board and local water suppliers on the planning and implementation of energy efficiency actions that can also result in water use savings. Coordination may include, but is not limited to, sharing information on areas to target, prioritizing actions, and coordinating implementation and cost sharing.
- (b) As a part of the guidelines otherwise developed by the commission for administering energy and water efficiency actions funded under the federal act pursuant to the federal State Energy Program and the federal Energy Efficiency and Conservation Block Grant Program, the commission, in consultation with the board, shall establish criteria and priorities for partnering on programs and projects that have both water and energy efficiency benefits.
- (c) Water use efficiency programs and projects that provide sufficient energy savings to justify being funded under the federal act pursuant to the federal State Energy Program and the federal Energy Efficiency and Conservation Block Grant Program from moneys allocated to the commission shall be eligible to receive that funding.
- (d) Water use efficiency programs and projects may also be funded under the federal act pursuant to the federal State Energy Program and the federal Energy Efficiency and Conservation Block Grant Program from moneys allocated to the board, and moneys from local water agencies.
- 25461. (a) The Legislature, by enacting this chapter, intends to establish guidance for implementation of federal stimulus funds, in order to maximize the benefits and encourage the integration of water and energy efficiency programs.
- (b) As part of the administration of the federal stimulus funds received by the commission, the commission shall coordinate with the Department of Water Resources and the State Water Resources

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Control Board to identify opportunities to fund energy efficiency actions that also may result in reduced water use. Coordination may include, but is not limited to, sharing information on areas to target, prioritizing actions, and advising on implementation.

- (c) To the extent authorized by federal law, the commission's guidelines for disbursement of the federal stimulus funds shall do all of the following:
 - (1) Include both of the following as eligible projects:
- (A) Water use efficiency and water recycling projects that also provide energy savings. These projects may include, but shall not be limited to, appliance and toilet retrofit and installation of recycled water pipes for commercial, institutional, or industrial water sectors.
- (B) Job training programs, including, but not limited to, water and energy efficiency training for plumbers.
- (2) Include in the calculation of energy savings for water use efficiency and recycling projects, the energy savings associated with the reduced treatment, reduced distribution and pumping, and reduced urban or agricultural use of water.
- (3) Provide opportunities for water and energy efficiency projects to be cost-shared with local water suppliers.
 - (4) Include local water suppliers as eligible applicants.

(e)

(d) Water and energy—conservation efficiency programs and projects shall proceed only to the extent they do not impair the commission's ability to meet the federal deadlines for expenditure of federal stimulus—funds from the federal act pursuant to the federal State Energy Program and the federal Energy Efficiency and Conservation Block Grant Program. funds.

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- (e) This section applies only to federal stimulus funds received under the federal-act American Recovery and Reinvestment Act of 2009 (Public Law 111-5), pursuant to the federal State Energy Program and the federal Energy Efficiency and Conservation Block Grant Program.
- 25462. This chapter does not imply that spending energy efficiency funds on water efficiency programs should be done with nonstimulus, ratepayer funds.